

## **EDRP Meeting April 3, 2012 12:00 pm @ City Hall Council Chambers**

**Members Present:** Dick McCracken, Mike Flint, Ashley Schutte, Phil Kahn, Darleen Connolly, David Hertz

**Absent:** Tony Bilz

**Welcome** by Dick McCracken

**Review of Mayor's Directive to this Panel:** We are volunteers supporting the betterment of Madison and Jefferson County. Our charge is to make recommendations to the Mayor and City Council to streamline overall Economic Development processes, to make Economic Development initiatives more effective. To make these recommendations we seek first to understand current processes; to understand the roles and relationships between the many organizations involved; and to understand the flow of money and how these funds are allocated. We are not reviewing personnel. We are reviewing processes, structure, tools and resources. Therefore, we seek operating knowledge before we make our recommendations. Goal is to make recommendations to Mayor and City Council by June 30, 2012.

**Approval of Minutes:** All approved

**This is the 3<sup>rd</sup> Public meeting:** 1<sup>st</sup> was organizational, 2<sup>nd</sup> had 2 speakers:

TIF – Dave Steele and Chamber of Commerce- Dwayne Cole.

### **Introduction of 1<sup>st</sup> Speaker: Chip Orben: Chair of Economic Development Partners**

Chip thanked the panel for inviting him. Chip gave a brief overview of his role as a volunteer with EDP. Corey Murphy is the Exec. Dir. of E.D.P. Chip is employed with Duke Energy. His wife is from Madison but they live in Columbus now. He has served on EDP for past 8 years. *\*He provided the Panel and Public with a handout. Please attach it to these minutes for review.*

### **Questions from Panel:**

Dick McCracken asked...with regard to your mission statement on Page 2 of the handout, what does "existing companies" mean?

*It means Industries considering expanding their current business in our community, i.e. Grote, Century Tube, Rotary, etc.... It does not mean commercial businesses, which are generally under the Chamber of Commerce coverage.*

Phil Kahn asked...what is EDP's opinion of skill development?

*We have to address constant changes in technology and workforce skills needed to perform our job set. So we listen and provide programs that work with our students to better provide skilled labor in these jobs. ECO15 is a program that works directly to providing such skilled labor.*

David Hertz asked...is there a gap between waiting for the skilled laborers and having the companies go outside to fill the positions or leave altogether since we do not have the skilled laborers available?

*We provide training in collaboration with workforce so hopefully the industry won't have to leave the community.*

Dick McCracken asked...if industry has a specific skill set needed, who do they address this issue with?

*It should be discussed with E.D.P.*

Dick McCracken asked...With regard to hosting a prospective business when should the Mayor and City Council be brought into the process?

*Very early on...most definitely the Mayor should be involved in a site visit to our community. The Mayor and City Council should provide incentive information to the prospects that would be available: Like, technology, Quality of Life, Education, homes, churches, recreation...etc....*

Ashley asked....is non-industry expansion dealt with in the same way as industry?

*No. EDP handles industry expansion but our Chamber of Commerce, SBDC and/or Downtown Development would likely handle non industry expansion needs/requests.*

Mike Flint asked...how was the 80/20 split, referred to on page 8 (Chamber/EDP organizational chart), decided on?

*This was a best guess of the EDP Board as to how Corey Murphy's time should be split. He should provide administration assistance to the Chamber (20%) and he should provide most of his time/effort (80%) to Economic Development. The relationship between EDP and Chamber is an alliance, not a merger.*

Darlene asked...can you give us some examples of successes you have witnessed in your time on the Board?

*Yes. I have seen Arvin Sango and Madison Precision Products expand, just to name a few. Obviously if you want more specifics, Corey Murphy could give that information.*

### **Dick closed questions**

### **Introduction of 2<sup>nd</sup> Speaker: Julie Berry, Jefferson County Commissioner**

Julie gave brief autobiography. She started with the City of Madison working for Markt Lytle as Special Project Coordinator. She has served on the Jefferson County Board of Tourism, Economic Development Partners and the Solid Waste District. She served as President of the Jefferson County Board of Commissioners and she is currently on her third term as the Jefferson County Commissioner. She has been very active with projects involving Arvin Sango, Madison Precision Products, Century Tube Corp., Grote, Rotary and Madison Tool & Die. While working as Special Projects Coordinator with Lytle's Administration, she helped develop the Revolving Loan Fund. This came about following the failure of

Marble Hill as a way to attract new business to our community. City/County and area banks each gave an equal % to this loan fund. Then they collaborated to offer a more competitive loan rate to industries.

Julie provided us with handouts displaying the current unemployment trends in the state. Please refer to these handouts if needed. Jefferson County's current unemployment rate is 8.4% which is less than the states (8.8%). We rank 62 out of 92 counties. Our only neighboring county doing better is Switzerland County (6.7%). The Economic Devp. Budget for 2008 was \$150,000. We have the lowest budget compared to our neighboring counties.

In closing remarks, Julie said we have too many negative comments in our community. It is the "NaySayers against the YaySayers". When business prospects come in and hear or look at forums that host negativity, it literally runs them off. We should all be working together to sell our community. We need more positive remarks and forums. We should have a way to celebrate our successes; like an Economic Hall of Fame to showcase companies doing outstanding work toward growth in our community. We need **more** tools for Economic Development, not less. They introduced the Revolving Loan Fund to attract business and now we shouldn't get rid of it. TIF is also a great asset to attracting business. We should look into possible adjustment of our TIF Zone. Microloans are also vital for small businesses. Jefferson County is considering making the old Marble Hill site into a TIF zone. Cooperation between City and County is vital in Economic Development. We even love collaborating with all our surrounding counties as their growth (Amazon) also benefits our community. The Madison/Milton Bridge project has been a great success story for our community. With the increase in the weight allowances, we can have more freight brought into businesses.

#### **Panel questions:**

Phil Kahn asked...can you give us a typical example of a recent expansion?

*Rotary needed an access road for vehicles to enter and exit more easily. We put in the Industrial Park Rd. that runs next to the VOBC. We also redid the intersection at Shun Pike and Dawson Smith Rds. We partnered with TIF as this project was going to cost \$30,000. Each partner put in \$15,000 and we were able to modify the intersection to accommodate their need.*

Dick McCracken asked...What are other communities doing to increase their Economic budget?

*Some use EDIT (Economic Development Income Tax) and CEDIT (County Economic Development Income Tax) funds are used to supplement the budget. Also, some areas require businesses to buy their seat on the Economic Board.*

Darlene Connolly asked...What are your ideas regarding tools that should be added to enhance Economic Development?

*Wayne County has recently attracted 2 new businesses to their area by offering Tax Grant Money to attract them. We should investigate to see if we have the funds available to offer tax grants.*

Dick McCracken asked...What should this Panel focus on, in your opinion?

*I would love to see you use the Revolving Loan Fund to help businesses that might be in trouble...like the Chelsea General Store.*

David Hertz commented that currently the perception of the Revolving Loan Fund is that since rates are so low with banks, businesses can go directly to them rather than us getting involved. As a collaborative effort, we can't beat the current bank loan rates.

*Julie agreed that this is a vital point for consideration at the present time.*

### **Dick Closed Questions**

**Dick recognized Mike Flint:** Mike made a suggestion that we offer a survey for the purpose of retrieving public input. We would offer this survey on the website and summarize it at the end of April.

Dick McCracken made the motion to accept Mike's request for this survey: David Hertz 2<sup>nd</sup>: All approved.

**Dick then announced the program for the next two panel meetings:** April 10: Corey Murphey, Ex Director, EDP, and Kathy Huffman, Work Force Coordinator, EcO15, will be the guest presenters. April 17: This meeting is reserved for receiving public input to the panel's mission.

**Meeting Adjourned at 1:40pm.**